2007 LIHEAP PROGRAM YEAR

LIHEAP ELIGIBILITY AND VERIFICATION GUIDE

Department of Community Services and Development

A Complete Guide for HEAP Intake

Introduction

The LIHEAP Eligibility and Verification Guide is designed to be an easy to use reference for determining LIHEAP Eligibility and processing intake forms.

The guide contains pertinent information regarding LIHEAP eligibility and documentation verification, policies and procedural requirements, general information on program year specific benefit levels and income eligibility. Sections include:

- New information for the Program Year 2007
- Criteria for Eligibility
- Energy and Income Document Requirements
- Other General Information

Each year, the manual will be updated to include changes to policies, procedures and eligibility requirements.

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Program Year 2006/2007 Guidelines and benefit Levels

In anticipation of the major system changes for Program Year 2008, CSD has kept changes minimal for PY 2007. Because PY 2006 is a two year contract, ending in December 31, 2007, agencies can continue to process applications for both 06 and 07 during the calendar year 2007. To avoid confusion and simplify the administration of non-consideration services, the guidelines and benefit levels for the PY 2006 will be adjusted to mirror the guidelines and benefit levels for PY 2007.

- The last day to enter Program Year 2006 applications to receive the benefit level for 2006 is close of business January 2, 2007. All data base transfers must also be received by CSD by close of business on January 2, 2007.
- There will be no grace period beyond January 2, for entering PY 06 applications to receive PY 06 benefit levels.
- Beginning January 3, 2007 through January 8, 2007, CLASS will be off line.
- On Tuesday January 9, 2007, CLASS will come back on-line with new benefit levels for PY 2006 and the implementation of PY 2007. At this time all applications entered into CLASS for PY 2006 will receive the new benefit levels. Any data transfer records received with 'old' benefit levels will be rejected.

An applicant that received assistance in PY 2006 can only be eligible to receive one payment from PY 2007. However, an applicant that was not served in 2006 would be eligible, at the agency's discretion, to receive a payment from PY 2006 and one from PY 2007.

Eligibility Guidelines 2006/2007 PY

HH	Monthly Income	Yearly Income
1	$1,803.79	$21,645.52
2	$2,358.81	$28,305.68
3	$2,913.82	$34,965.84
4	$3,468.83	$41,626.00
5	$4,023.85	$48,286.16
6	$4,578.86	$54,946.32
7	$4,682.93	$56,195.10
8	$4,786.99	$57,443.88
9	$4,891.06	$58,692.66
10	$4,995.12	$59,941.44
11	$5,099.19	$61,190.22
12	$5,203.25	$62,439.00
13	$5,307.32	$63,687.78
14	$5,411.38	$64,936.56
15	$5,515.45	$66,185.34
16	$5,619.51	$67,434.12
17	$5,723.58	$68,682.90
18	$5,827.64	$69,931.68
19	$5,931.71	$71,180.46
20	$6,035.77	$72,429.24
21	$6,139.84	$73,678.02
22	$6,243.90	$74,926.80
23	$6,347.97	$76,175.58
24	$6,452.03	$77,424.36
25	$6,556.10	$78,673.14

Payment Tables

Benefit levels for gas and electric utility bill assistance are determined using a formula that takes into consideration factors that include the household size, the household gross monthly income and energy costs within the residing county. The formula evaluates the household income in relation to the Federal Poverty Guidelines, as published by the Department of Health and Human Services. This evaluation of client income combined with other formula factors and considerations (i.e. energy costs) enables the department to establish benefits that are both proportionate to need and income level. As a result, benefits are established and structured with the highest possible benefit assigned to the poverty groups representing below and slightly above poverty.

Attached are the benefit levels that are effective for both 2006 and 2007 contracts, beginning January 2, 2007 for your agency.

Section

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Criteria for Eligibility

An applicant for LIHEAP gas and electric benefits must first be a resident of California, meet the income guidelines, and be responsible for energy costs.

If the applicant is being served by a public agency they must also prove citizenship.

Definition of household: A household includes any individual or group of individuals who are living together as one economic unit for whom residential energy is customarily purchased in common or who make undesignated payment for energy in the form of rent.

Definition of a dwelling: A housing unit is a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or if vacant is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live and eat separately from any other persons in the building and which have direct access from the outside of the building or through a common hall. The occupants may be a single family, one person living alone, two or more families living together, or any group of related or unrelated persons who share living arrangements.

Ineligible Households

- Applicants renting a room in someone else's home. (Exception: applicant provides proof that his/her living arrangement adheres to the definition of "separate living quarters".)
- Applicants living in transitory, tent or temporary encampments such as Slab City in Niland.
- Applicants living in board-and-care facilities, nursing or convalescent homes, or in jail or prison.
- Applicants who are homeless.

Exceptions: Separate Living Quarters And Living On Boats

Applicants who provide proof that they live in separate living quarters in someone else's home, meeting the definition of separate living quarters, are eligible for HEAP assistance. Separate living quarters are defined as: "quarters in which the occupants do not live and eat with any other persons in the structure and which have either direct access from the outside of the building or through a common hall or complete kitchen facilities for the exclusive use of the occupants".

Note: Applicants living on boats, in a marina with a dock number and utility hook-up, are eligible for HEAP assistance.

Prioritization

The federal government enacted a law requiring that states target households with low-incomes and high energy costs, taking into consideration households with elderly and disabled persons, and children under six. This means there could be households that received assistance in the past and will no longer receive assistance because they fall into a low priority group and are not considered among the neediest of the needy. Agencies are required to prioritize the delivery of services in accordance to approved "Prioritization Plans" (Exhibit B Attachment IV). Goals are a reflection of the agency's priority plan for delivery of services.

All agency staff should be familiar with the priority plan and forecasted goals. All applications should be screened and evaluated using your agency's priority plans. Documentation of this evaluation should be documented by entering the assigned point value on the intake form. Your agency's approved Prioritization Plan and annual goals can be viewed in CLASS with an ADM access code, by clicking on the Agency Profile Menu button, and selecting the LIHEAP Goals, HEAP or FAST TRACK Priority Plan "GO" button.

Denied or Ineligible Applications

When service to a client is refused it is essential to establish if the application is ineligible or denied. Applications that are considered "denied" must be informed of their appeal rights. However, applications that are ineligible are not considered appealable and therefore, do not have to be advised of their appeal rights.

Ineligible Applications

An application that is rejected because the agency is out of funds or because it does not meet the agency priority plan is not appealable. However, the applicant must still be notified in writing of the reason for the refusal of service but it is not necessary to advise them of their appeal rights.

Suggested language for notification of an ineligible application:

Your 2007 HEAP application requesting assistance with your energy costs has been received. While your household meets the income eligibility requirements, your household did not meet our agency priority plan and is not qualified to receive assistance at this time.

The State of California requires the agency to establish a priority plan due to the overwhelming demand for services and the limited resources available. The priority plan provides a method for serving those with the greatest need. However, if your circumstances change, please feel free to reapply.

Denied Applications

State Regulations (22 CCR § 100805), define the following situations as appealable:

- The application was not acted upon within 15 working days
- Unsatisfactory performance
- Application was denied

Denial means that all of the following criteria have been met:

- Services and funds are available.
- The contractor has authority to disburse services or funds.
- The applicant meets or believes he/she meets eligibility criteria and
- The applicant meets the conditions of the priority plan

Some reasons for denial of an application that are appealable:

- Over the income guidelines
- Missing or insufficient information,
- Household already assisted
- Credit on their utility bill

The following is suggested language for notification of denial:

Your 2007 HEAP application requesting assistance with your energy costs has been received. We regret to inform you that your application is being denied for the following reason (s):

- ☐ Over income guidelines
- ☐ Incomplete/missing information
- ☐ Credit on bill
- ☐ Duplicate application, etc.

If you disagree with this decision and/or you have additional proof that may establish your eligibility, you have the right to appeal. To initiate the appeal process please send a written request explaining why you feel this decision was in error and any additional proof of eligibility within ( ) days* of this letter.

***** The amount of days is at the agency's discretion but it must be a reasonable time frame to allow the applicant to respond.

When an application is "denied", the applicant must be advised in writing within 15 working days of the following:

- The reason for denial
- The ability to have the local agency review
- The right to submit additional information
- The final decision after local agency review in writing within 15 working days
- The right to request an appeal to CSD within 10 working days

Notification

When an application is approved for payment, notification can be verbal or in writing by post card or form letter.

If an application is determined to be ineligible, the applicant must receive written notification defining the reason for refusal of service.

If an application has been "denied", the applicant must be advised in writing of the reason for denial and their appeal rights.

Qualifying an Applicant as Disabled

CSD does not require agencies to obtain written documentation to verify the disability of an applicant. However, at the agency's discretion it is reasonable to ask for proof of disability. The following documentation is acceptable proof:

- Participation in a federal disability program (SSI, Veteran's disability, developmental disability programs in education).
- A statement from a doctor is reasonable to ask for if an applicant falls under the federal definition of disability.

However, under federal law, even if a person is "regarded as having impairment," then they are disabled, whether or not it has ever been diagnosed or documented. In those cases, there is no proof that can be provided. Proof, in this case, could include an option to either a) submit any documentation to establish proof of the disability, or b) self certification. To satisfy the "b)" option, the form should have a place where the applicant initials or signs the following statement. "I declare that I or one of my household members has a disability within the meaning of the Rehabilitation Act of 1973."

Confidentiality of Social Security Numbers

"The Social Security number has a unique status as a privacy risk. No other form of personal identification plays such a significant role in linking records that contain sensitive information that individuals generally wish to keep confidential" **Department of Consumer Affairs, Office of Privacy Protection_Recommended Practices for Protecting the confidentiality of Social Security Numbers**

CSD client file requirements do not include collecting copies of social security cards and drivers licenses. However, if an agency determines that such documents are necessary, due care must be taken to secure the information. It must be stored in a secure and locked location. Access to that location must be limited and regulated by internal controls.

The Department of Consumer Affairs offers the following guidelines to protect social security numbers and other confidential information:

1. Develop a written security plan for record systems that contain social security numbers (SSNs).

2. Develop written security policies for protecting the confidentiality of SSNs.

3. Provide training and written material for employees on their responsibilities in handling SSNs.

4. Conduct training at least annually and train all new employees, temporary employees and contract employees.

5. Impose discipline on employees for non-compliance with organizational policies and practices for protecting SSNs.

6. When discarding or destroying records in any medium containing SSNs or other confidential information, do so in a way that protects their confidentiality, such as shredding.

Section
3

Proof of Income

- Proof of income must be current to within 6 weeks from the intake date (unless otherwise specified by the agency).
- Income must be the total gross income before deductions.
- Income document(s) should cover a one-month period unless applicant did not work a full month.
- A single weekly or bi-weekly paycheck can be calculated using the formulas listed below to equal one month.

Calculating Income

CSD offers two calculation methods in determining monthly income. Agencies can choose either of the two calculations methods for determining monthly income. However, the selected calculation method must be consistently applied throughout the entire program in determining monthly incomes for all LIHEAP clients.

- Weekly gross income should be multiplied by 4 or 4.333 to total 1 month's income.
- Bi-weekly gross income should be multiplied by 2 or 2.167 to total 1 month's income.
- Quarterly gross income (including any interest and dividends) should be divided by 3 to arrive at a monthly average.
- Zero income must be documented on a signed self-certification statement from the applicant.

CAL WORKS/TANF/AFDC

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Copy of current check.
- Current Notice of Action.
- Current verification from worker with amount and date.
- Food Stamp verification with current income amount listed.
- Current aid printout summary.

Note: A family's monthly Food Stamp allotment amount is not considered income. Do not include the Food Stamp amount when calculating income.

Overpayment adjustments should not be deducted from the grant amount.

UNACCEPTABLE

- Outdated or altered information.
- Medi-Cal stickers or cards.
- Food Stamp verification with no income amount or date.
- CW7 Report.
- Notice of Action stating homeless aid.

G R / G A

G E N E R A L   R E L I E F / G E N E R A L   A S S I S T A N C E

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Copy of current check.
- Current Notice of Action.
- Current verification from worker with amount and date.
- Food Stamp verification with the current income amount listed.
- Current aid summary.
- Copy of bank statement showing direct deposit.

  Note: The date of the deposit or the issue date of the statement can be used to determine if the document is current to 6 weeks of intake date.

UNACEPTABLE

- Outdated or altered information.
- Medi-Cal stickers or cards.
- Food Stamp verification without income amount or date.

SSI/SSP

SUPPLEMENTAL SECURITY INCOME/STATE SUPPLEMENTARY PAYMENTS

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF APPLICATION INTAKE DATE.
Overpayment adjustments are to be included.

- Copy of check.
- Payee's (income recipient) letter of verification showing income amount.
- Notice of planned action.
- Copy of bank statement showing direct deposit.

  Note: The date of the deposit or the issue date of the statement can be used to determine if the document is current to 6 weeks of intake date.
- Computer printout stating the current monthly amount.

Note: For the following items, DO NOT look at the date of the document. You must look at dates covering benefits within the document to determine eligibility. These dates must be current.

- Annual benefit letter with current dates (i.e., date of letter is 12/06 but letter states applicant will receive $$ beginning 1/07.)
- Computer printout or letter that states the current annual benefit amount.
- Form 2458 completed by Social Security Office.

UNACCEPTABLE

Note: Do not include as income the SSI recipient's funds received for caregiver service providers of the following programs: In-Home Supportive Services or the Pass Program

- Outdated or altered information.
- Benefit letter with no income amount or date.
- Payee's letter of verification not showing income amount.
- Medi-Cal stickers/cards.

S S A

S O C I A L S E C U R I T Y A D M I N I S T R A T I O N

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

Overpayments adjustments must not be Deducted

- Copy of check.
- Payee's (income recipient) letter of verification showing income amount.
- Notice of planned action.
- Copy of bank statement showing direct deposit.

  Note: The date of the deposit or the issue date of the statement can be used to determine if the document is current to 6 weeks of intake date.
- Computer print-out stating the current monthly amount.
- SSA Form 1099 (<u>Only acceptable if intake date is within the 6 week period following January 1, 2007.</u>)

Note: For the following items, DO NOT look at the date of the document. You must look at dates covering benefits within the document to determine eligibility. These dates must be current.

- Annual benefit letter with current dates (i.e., date of letter is 12/06, but letter states applicant will receive $$ beginning 1/07).
- Computer printout or letter that states the current annual benefit amount.
- Form 2458 completed by Social Security Office.
- HUD statement from Department of Housing with a Social Security amount.

UNACCEPTABLE

Note: Medicare premiums are not considered income and must be deducted from total gross amount.

- Outdated information.
- Benefit letter with no income amount or date.
- Payee's letter of verification not showing income amount.
- Medicare stickers/cards.

PENSIONS AND ANNUITIES

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Copy of check.
- Copy of bank statement showing direct deposit.

  Note: The date of the deposit or the issue date of the statement can be used to determine if the document is current to 6 weeks of intake date.

Note: For the following items, DO NOT look at the date of the document. You must look at dates covering benefits within the document to determine eligibility. These dates must be current.

- Pension verification (i.e., letter or printout. Time frame of benefit must be current).
- Annual statement from pension plan.
- Form 1099. (<u>Only acceptable if intake date is within the 6 week period following January 1, 2007.</u>)

UNACCEPTABLE

- Outdated or altered information.
- Benefit letter with no income amount or date.

WAGES/EARNED INCOME

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Copy of check(s) showing gross amount.
- Current copy of pay stub(s) covering 1 month of gross income (using necessary formulas).
- Letter from employer with gross amount and current time frame.
- Notice of Action showing earned income.
- HUD statement from Department of Housing with annual income amount.

UNACCEPTABLE

- Outdated information.
- Information without dates.
- Copy of check(s) showing net amount only.
- Federal and State Tax Forms (exception: self-employed).
- W2 Forms.
- Non-consecutive pay stubs. (If unable to determine monthly gross.)
- Employers' letter not showing gross income amount.
- Food Stamp verification with no dollar amount listed.
- Renter's Credit Form.
- Copy of bank statement.
- Military pay showing base pay only.

INTEREST/DIVIDEND INCOME

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Current statement(s) from financial institution(s).
- Current copy of financial statement(s) showing direct deposit.

  Note: The date of the deposit or the issue date of the statement can be used to determine if the document is current to 6 weeks of intake date.
- Current copy of check(s).

UNACCEPTABLE

- Outdated information.
- Information without a date.
- Financial statement(s) without a dollar amount listed.
- Federal and State Tax Forms.

WORKER'S COMPENSATION DISABILITY/UNEMPLOYMENT BENEFITS

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Copy of current check(s).
- Current check stub(s).
- Current printout.
- Current award letter.

UNACCEPTABLE

- Outdated information.
- Information without a date.
- Award letter without income/date.

CHILD/SPOUSE/INDIVIDUAL SUPPORT

Effective April 15, 2005 an individual paying child support can deduct that payment from their countable income. However, the individual receiving the child support payment must include the payment amount when calculating household income.

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Current court documents.
- Current copy of check(s).
- Current signed and dated statement from person providing support.
- Current Notice of Action indicating supportive measures.

UNACCEPTABLE

- Outdated information.
- Statement without dollar amount or date.
- Unsigned written statement.
- Federal and State Tax Forms.

VETERANS' BENEFITS

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Copy of check.
- Current letter of verification from the Department of Veterans Affairs.
- Current copy of bank statement showing direct deposit.

  Note: The date of the deposit or the issue date of the statement can be used to determine if the document is current to 6 weeks of intake date.

Note: For the following item, DO NOT look at the date of the document. You must look at dates covering benefits within the document to determine eligibility. These dates must be current.

- Annual benefit letter with current dates (date of letter is 12/06, but letter states applicant will receive $$ beginning 1/07).

UNACCEPTABLE

- Outdated or altered information.
- Benefit letter without income amount or date.

STUDENT FINANCIAL AID

GRANTS, SCHOLARSHIPS, WORK STUDY AND LOANS

Effective April 15, 2005 Scholarships are no longer to be considered as income.

ACCEPTABLE

NOTE: All forms of student assistance, other than loans and scholarships, are considered income, including grants, work-study, and tuition paid by grants, stipends. If aid consists of loans and/or scholarships only, set the applicant's income at zero (0).

One or more of the following may be required:

- Financial Aid statement from college/university.

  (Divide the annual grant amount by the time frame of the grant. Example: If a student provides a total Fall and Spring grant amount, divide by 9. If only Fall or Spring, divide by 4.5.)
- Letter of support showing an amount.
- Current check stub(s).
- Current Notice of Action.

UNACCEPTABLE

Note: Student loans and scholarships are NOT considered income and must be deducted when included in total income.

- Outdated or altered information.
- Copy of check(s) showing net amount only.
- Letter of support without dollar amount or date.

SELF-EMPLOYMENT

ACCEPTABLE

- Current signed 1040 Federal Tax Form.

  Must show a dollar amount, either on line 12 or 17, to be valid income verification for self-employed. Tax Form 1040 is acceptable until next year's filing date. 2005 Income Tax Form is good until April 15, 2007.

  When using a 1040 Tax Form, calculate monthly gross income for self-employed by dividing the amount on line 22 by 12 months. If line 22 is zero or a negative amount, set the income amount on the application to zero (0).
- Current copy of ledger or journal (Handwritten information is acceptable).
- Signed self-employment statement showing month, gross receipts, gross expenses, and net income.

UNACCEPTABLE

- Outdated or altered information.
- Unsigned 1040 Federal Income Tax Form.

OTHER SOURCES OF INCOME

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Current receipts for recycled materials.
- Current receipts or statement for odd jobs with a dollar amount and date.
- Self-certification statement of zero (0) income.
- Net rental income (total rental income less utility costs).
  - Example: If total rent is $300.00 and utility cost is $200.00 then the net income is $100.00.

UNACCEPTABLE

Note: Applicants that may not have income for a qualifying month. Pending income or pending assistance will not be considered income. This is considered zero income and the income on the application should be set at zero (0).

- Outdated or altered information.
- Receipts or statement without a dollar amount or date.

THE FEDERAL REGISTER DEFINES INCOME AS FOLLOWS:

Money, Wages, and Salary
Capital Gains
Receipts from Own Unincorporated
Business, Professional Enterprise, or Partnership, after Deductions for Business Expenses
Social Security
Railroad Retirement
Strike Benefits from Union Funds
Worker's Compensation
Veterans' Payments
Unemployment Compensation
Training Stipends
Emergency Assistance Money Payments
Public Assistance, TANF, SSI, GA, GR
Alimony
Military Family Allotments
Military Retirement
Any regular support from an absent family member or someone who is not living in the household.
Government Employee Pensions
Regular Insurance or Annuity Payments
Private Pensions
College/University, Grants, Fellowships, and Family Assistance
Dividends/Interest
Net Rental Income
Net Royalties
Periodic Receipts from Estates or Trusts
Net Gambling or Lottery Winning
Receipt of child support payments

THE FEDERAL REGISTER DOES NOT CONSIDER THE FOLLOWING AS INCOME:

College/University Scholarships and Student loans
Military combat pay
Child Support Payment contributions
Draw down from Reverse Mortgage
The sale of property (car or house)
Tax Refunds
Gifts
Loans
Lump sum Inheritances
One-time Insurance Payments
Compensation for Injury
Employer or Union-paid Portion of Health Benefits
Fringe Benefits
Withdrawal from Savings
Food or housing received in lieu of wages.
Federal Non-cash Benefit Programs
(Medicare, Medicaid, Food Stamps
School Lunches, Housing Assistance)
The value of food and fuel produced and consumed on farms
The imputed value of rent from owner-occupied non-farm or farm housing.

Section
4

Energy Bill

The utility bill provides documentation of the physical address, energy costs and valuable utility account information to ensure the delivery of cash assistance benefits by means of direct payment.

GENERAL GUIDELINES TO FOLLOW WHEN DETERMING ENERGY BURDEN

Please ask applicants to bring or submit all of their energy utility bills for a one-month period (gas and electric, wood and propane, or any combination thereof), if applicable. However, only the bill for the company receiving the assistance is required.

In instances where a household is unable to obtain a copy of a secondary energy bill, it is acceptable to have the applicant estimate the cost of their absent energy bill(s). This estimation should be documented and maintained in the client's file. HEAP assistance can only be made to a utility company where a bill is present.

Use all energy utility costs for a one-month period (gas and electric, wood and propane) when calculating energy burden. Use the entire amount owed for the current one-month period. <u>This can include the usage amount, surcharges and/or taxes. Do not include arrearages.</u>

For households who submit more than one valid energy utility bill, the HEAP benefit amount can be applied to only one company. Applicants will continue to select the utility company that will receive the HEAP or Fast Track benefit.

If an applicant fails to specify a utility provider, the HEAP assistance should be applied to the household's primary energy provider.

ESTIMATING ENERGY BURDEN FOR SUBSIDIZED HOUSING

CSD policy does allow for estimating energy costs for clients with energy charges included in rent only when the landlord is unwilling or unable to provide documentation on the portion of rental charges that are being applied to utilities.

A resident participating in a Housing and Urban Development (HUD) Housing Assistance Program, that is 100% or fully subsidized, meaning they do not pay any portion of their rent, would not be eligible for the program. Examples would be shelters, nursing homes, prisons etc. However, if the client is responsible for paying a portion or all of the rental (utilities included in rent) charges, it is reasonable to assume that the client incurs an out of pocket expense for energy costs, and is eligible to participate in LIHEAP.

The following is a brief summary of two acceptable methods that can be used with estimating energy charges for clients with utility charges included in rent:

- Use the known costs of a similar building in the surrounding area.
- Using the average energy burden percentage of previously served clients with energy charges, use this percentage as a "predetermined percentage" for estimating purposes. For example:
    - The average energy burden of previously served clients in like circumstances with utility charges included in rent is 15%.
    - A client residing in HUD assisted housing has a rental out of pocket fee of $200, and the client's landlord is unwilling to provide energy cost information.
    - Client's income is $700.
    - Using 15%, the average energy burden of previously served clients, as the "predetermined percentage" when estimating the client's household energy burden.
    - Multiply the client's rent by the 15% factor to determine an estimated energy cost amount: 15% X $200= $30.00
    - **$30 divided by $700 = 4.29% energy burden**

ENERGY BILLS MUST INCLUDE:

- Service address
- Account number
- Name of the utility company
- Customer's name
- The dollar amount of a full month's energy costs (at least 22 days)
- For Fast Track application, the total amount due on the bill

ACCEPTABLE

Note: In rural areas, the service address can be descriptive (Example: 3rd house on the left, past the gas station, etc…).

- Energy bill(s) must contain a billing period current to within 6 weeks of the application intake date.
- Must be able to determine the amount of the household's current energy costs.
- Acceptable energy bills include current, delinquent, shut-off notices, or energy statement/print-outs that indicate usage without added fees. Some exceptions may apply. Please contact the Help Desk for assistance.

UNACCEPTABLE

- Opening bills (if less than 22 days) some exceptions may apply. Please contact the Help Desk for assistance.
- Closing bills
- Altered bills
- Service address on the utility bill does not match the applicant's service address
- Outdated utility bill

ENERGY COSTS THAT ARE INCLUDED IN RENT, SUBMETERED, OR OTHER PRIMARY SOURCES OF ENERGY

Documentation must include:

- Date
- Tenant/Customer's Name
- Service Address
- The amount of rental charges covering energy expenses
- Landlord's signature
- Photocopied and faxed letters of utility cost verification
  - Agency must keep a dated copy with a wet signature on file for each multi-family dwelling. Letter must contain service address, date, and the location of the original signature.
  - This document maybe photocopied for insertion into the client file of other tenants in that building.
  - A newly signed landlord letter must be obtained each program year.

ACCEPTABLE

NOTE: DOCUMENTATION PROOF MUST BE CURRENT TO WITHIN ONE YEAR OF APPLICATION INTAKE DATE.

- Must indicate the dollar amount of the applicant's monthly rent that is applied towards energy costs.
- Rental agreement that indicates utilities included in rent
- Rental receipt that indicates utilities included in rent
- Original or faxed letter signed by landlord/manager
- HUD statement showing zero utility allowance

- Billing services statement that indicates submetered

UNACCEPTABLE

- Documents that do not show energy charges
- Documents that have been altered
- Outdated information
- Landlord statements that are unsigned
- Letter that does not indicate customer name and apartment number if applicable

Section

5

Payments

Fast Track

Fast Track payments shall only be made where an emergency energy-related crisis exists. Applicants must receive energy services from one of the following energy providers: utility companies; mobile home parks that own their own power source; or submetering billing services with legal authority to shut-off utility services. An emergency energy related crisis does not exist if the cost of energy is included in the applicant's rent, in which case Fast Track payments shall not be made.

Criteria for Fast Track Payments, one or more of the following:

- Proof a utility account is past due
- Proof of utility shutoff notice
- Proof of energy termination
- Insufficient funds to establish a new energy account
- Energy related crisis or life-threatening emergency exists within the applicant's household

Documentation of the energy related crisis must be maintained in the client file.

Partial Credit Returns to a Different Utility Company

If a HEAP or Fast Track recipient closed a utility account with a remaining balance from a LIHEAP assistance payment, previously CSD only allowed a partial remaining credit to be reissued if the recipient reopened an account with the same utility company. If the recipient moved out of the original company's service territory the remaining credit could not be reissued to a new utility company.

Beginning with program year 2006, a remaining partial credit can be reissued to a new utility company. When the new company is located outside the service territory of the original agency, CSD will request a copy of the utility bill from the new company and reissue the credit accordingly.

To reissue a partial credit return to a different utility company:

- ✓ Applicant must initiate the process by contacting the agency or CSD
- ✓ Agency must refer the applicant to CSD.
- ✓ Applicant must provide CSD with a copy of the new utility bill.
- ✓ CSD will reissue the partial credit return to the new utility company.

To reissue a partial credit to the same utility company, the process remains unchanged:

The agency can comment the record with the new service address and account number but then must contact the Help Desk to reissue the credit or

The applicant can contact CSD with the new service address and account number and CSD will reissue the credit to the new account.

It is important to remember that an agency must resolve payment returns within 90 days from the date the payment is returned from State Controllers Office or from the utility company to CSD. If a payment is not reissued within 90 days, on the 91st day the record will close and the return payment amount will be added to the agency's remaining allocation.

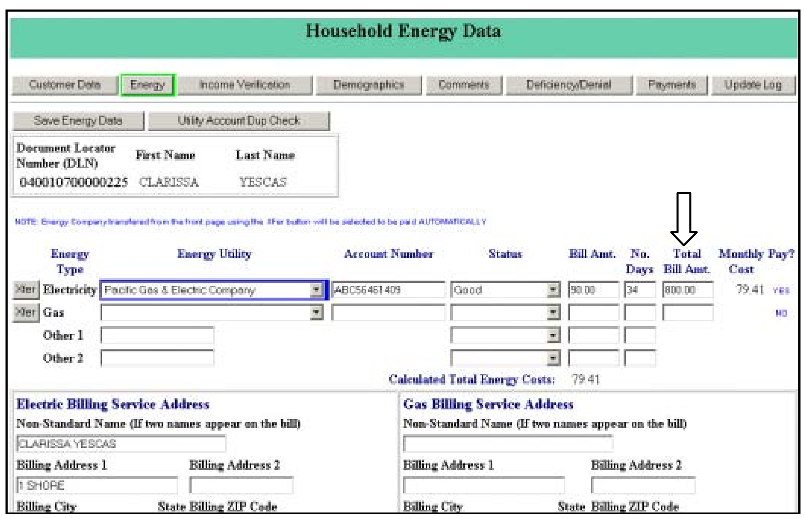
Fast Track Supplemental

DESCRIPTION

Effective with the 2005 program year, CSD implemented a policy change to Fast Track by providing Agencies with the ability to increase the Fast Track base amount by adding a supplemental benefit. Under the Fast Track supplemental benefit provision the total amount of the Fast Track payment cannot exceed the total amount of the entire bill or $1,000 which ever is less.

The process begins when the Fast Track program is selected on the Customer Data page. It continues by entering the customer data, income verification if applicable and proceeding to the Energy page.

ENERGY PAGE



- Enter:
  - Energy Utility - Company name
  - Account Number – from the utility bill
  - Status – good or deficient
  - Bill Amt - current energy cost, (please see new guidelines on current energy costs)

- No. Days - number of days covered by the current usage billing
- Total Bill Amt - the total bill amount owed at the time of the intake process, this includes all current energy charges, arrearages, fees, surcharges, and taxes per utility company bill. This must be entered for both the HEAP and Fast Track programs. Energy information for gas or electric must be entered on a separate line unless the same company provides both gas and electric.
- Energy Utility - The utility company that is Xfer (transferred) from the Customer Data Page will be the one selected for payment.
- Billing Service Address - the electric and/or gas billing address, city, state, and zip code.
- Click Save Energy Data button.

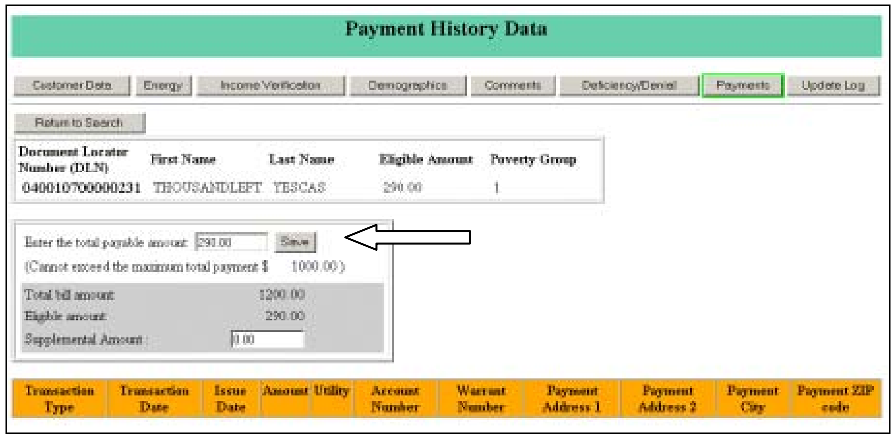
Agencies will no longer be able to place a Fast Track application in "Pending" status.

Once the Household Energy Data page is saved and the application is deemed eligible for payment, the Fast Track base payment amount is set. If no additional payment is to be added, the application is now complete.

Payment History page

It is on this page, the user will enter the supplemental benefit amount for Fast Track Payments. If the total bill amount is less than the Fast Track base amount, an additional amount cannot be added.

- Click on the Payment History page tab.



- The base payment amount is labeled the "eligible amount" on this page
- Click into the "Enter the total payable amount" box.
- Enter the total payable amount to be paid to the customer. (This amount includes the base payment amount plus the supplemental amount)
- The total bill amount must not be greater than the total amount owed on the most recent utility bill or $1,000.00 whichever is less.
- Click on the "Save" button to set the supplemental amount to be added to the eligible amount.
- This will take you to the "Save Supplemental Amount" pop-up. Click on "Return to Payments Page" button.

- To verify the total amount that will be paid to the customer's bill, add the "Eligible amount" with the "Supplemental amount."

These steps must be completed to process a Fast Track application for a Supplemental amount.

- The total bill amount must be entered on the Energy Page prior to opening the Payment History page. This field is now required for both HEAP and Fast Track process.

- If the Total Payable Amount is greater than the entire bill amount or over $1,000.00 an "Error" message will pop up indicating the problem. You must resolve the error by entering the corrected amount to process for payment.

- The Total Payable Amount will only accept an entry if the record is eligible and has been selected for a Fast Track payment.

- The system will not allow a supplemental payment that exceeds the total remaining allocation amount plus one payment in the amount of your highest benefit level.

Section

6

Resources from CSD

HEAP and Fast Track Files

Help Desk Staff Contacts

Fact Sheets

Documentation Calendar

Intake Forms (CD)

Client Files

HEAP and Fast Track client files must contain specific documents and must be retained for 3years

HEAP GAS AND ELECTRIC

- Completed and signed intake form. The applicant name and signature must be the same person. The applicant does not need to be the customer on the utility bill. Priority points should be entered in the space provided on the top of the intake form.
- Copy of the utility bill from the company that will receive the HEAP payment. It is important to collect bills from all sources of energy used in the household, to determine the actual energy burden. However, copies of all sources are not required.
- Copies of the proof of income (please see Section 3 for examples).
- Verification of energy conservation education and budget counseling.
- If the agency is required to verify citizenship, the file must contain proof as directed.

FAST TRACK GAS AND ELECTRIC

- Must contain all of the above.
- Proof of energy crisis, such as a shut off notice, proof that services have been disconnected, or a deposit is needed to establish services.

CSD DOES NOT REQUIRE A COPY OF THE SOCIAL SECURITY CARD OR DRIVERS LISCENSE. It is at the agency's discretion to include these documents in the intake package.

Department of Community Services and Development CLASS Help Desk

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CLASS HELP DESK STAFF

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Amador-Tuolumne Community Action Agency (001)
Central Valley Opportunity Center, Inc. (014)
Community Resource Project, Inc. (017)
Community Services & Employment Training Inc. (018)
Contra Costa County Community Services Department (019)
Economic & Social Opportunity, Inc. (023)
Fresno County Economic Opportunities Commission (027)
Great Northern Corporation (029)
Inyo Mono Advocates for Community Action, Inc. (034)
Community Action Partnership of Kern County (037)
Kings Community Action Organization, Inc. (038)
Community Action Partnership of Madera County, Inc. (044)
Maravilla Foundation (045)
Mariposa County Housing & Community Development Agency (048)
Metropolitan Area Advisory Committee (050)
North Coast Energy Services (057)
Community Action Partnership of Orange County (062)
Pacific Asian Consortium in Employment (063)
Redwood Community Action Agency (072)
Community Action Partnership of Riverside County (073)
Community Action Partnership of San Bernardino County (078)
Economic Opportunity Council of San Francisco (079)
San Joaquin County Department of Aging & Community Services (204)

Albert Cobian, Management Services Technician
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Butte County Community Action Agency (005)
Campesinos Unidos, Inc. (010)
Del Norte Senior Center (021)
El Dorado County Dept. of Community Services (024)
Glenn County Human Resource Agency Comm. Div. (028)
Lassen County Community Development Commission (040)
Community Action Marin (046)
Merced County Community Action Agency (049)
Nevada County Community Action Agency (056)
Plumas County Community Development Commission (067)
Project Go, Inc. (068)
San Benito County Department Of Community Services and Workforce Development (077)
Economic Opportunity Commission of San Luis Obispo County, Inc. (080)
Community Action Agency of San Mateo County, Inc. (081)
Community Action Commission of Santa Barbara County (082)
Self-Help Home Improvement Project, Inc. (085)
TEACH, Inc. (093)
Ventura County Commission on Human Concerns (096)
Veterans in Community Services, Inc. (097)
City of Berkeley (228)
Spectrum Community Services, Inc. (229)
Community Enhancement Services (278)
Central Coast Energy Services, Inc. (407)

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